

The Centre for Policy Studies

President Rt. Hon. Margaret Thatcher, MP

Chairman Sir Keith Joseph, BT, MP

Objectives and Style

As its name indicates, the Centre for Policy Studies has been set up to study economic and social policies, as they are and as they might be, and to communicate its findings to politicians and public. We see no contradiction between scrupulous scholarship and objective presentation of our studies, on the one hand, and adherence to a distinct philosophical outlook, with all that this implies in the way of political engagement.

We are committed to conserve and extend the liberty of the subject. We can see no way of achieving this except within a pluralistic society, with some diffusion of power, including economic power which must entail widespread individual, corporate and institutional ownership.

Our view that the market is vital to prosperity and freedom reflects a concept of society as organic and largely spontaneous, with laws of development which are far

from fully understood, and indeed never capable of being completely understood since we ourselves are involved in the processes we must comprehend and act on.

To say this is not to imply any slackening in our efforts to understand, but is largely a reminder that humility is an essential element in social study and political action. Nor is it a counsel of *laissez-faire*, which means abdication of any responsibility by government for the nation's economic well being. We seek to understand the market and its laws in order to control it the better, just as we seek to understand and work with the laws of nature to control our natural environment.

The Centre will help to redress a distortion which has come to affect British intellectual and political life during our lifetime. Socialist ideas and other varieties of collectivist, centralist or statist philosophies have come to dominate political thought. Although socialism and dirigism have been uniformly unsuccessful, indeed calamitous where taken to their logical conclusions, their hold over educated opinion has strengthened from failure to failure. Conversely, though private enterprise and the market continue to show far greater success than dirigist and state-dominated economies, the climate of opinion in this country is largely hostile to them. Even those who privately favour them are reluctant to admit to this in public; the permissive society is selective in its toleration.

Socialist assumptions in economics, social policy and education have gained general bi-partisan acceptance with only minor modifications. As a result, the workings of the market have been hampered. These induced failures have been used as excuses for even more damaging intervention, until economy and society alike become increasingly beset by contradictions.

We believe, therefore, that the time is ripe for re-examining the new conventional wisdom pragmatically in the light of a quarter century's experience in Britain and other industrialised countries. This is one of the Centre's objectives.

We shall subject the fruits of collectivism and dirigism to critical but scrupulous analysis in their merits; question

the view that the market economy, private sector and profit motive have reached the limit of their potentialities and cannot evolve further without losing their essential character; trace the paths by which free economies can grow, expanding ownership and participation; and explore ways of removing the constraints on free economic interaction in order to release under-used energies, resources and enterprise, while cushioning the sharp edges of change to afford the unfortunate or inadequate a helping hand without multiplying dependence, and while safeguarding the national interest.

It is now common ground here that some countries of the free world have done better than we have in many important respects: standards of living; renewal of productive and social capital; quality of life; care for the aged, disabled and unfortunate. But views differ diametrically as to the cause of these disparities. Thorough and objective comparative studies will help clarify and provide valuable insights.

The paradox that socialism and statism appear to gain political strength and credibility from their failures can best be studied in an international context, drawing on experience in the EEC, Scandinavia, Switzerland, the USA, *int al*. This no-man's-land where economics and political behaviour overlap is ripe for comparative study in place of the speculative judgements which hold the field.

Systematic studies would help overcome the unspoken misgivings of many that to trace the workings of cause and effect in economics implies the advocacy of 'laissez-faire', or is somehow 'doctrinaire'.

We shall publish books, booklets, papers and studies as needed, and arrange seminars on issues of interest to policy-makers.

We are convinced that sound arguments, adequately documented and presented with combined perseverance and sensitivity to other viewpoints in the idiom best suited to each milieu, can succeed in changing the climate of opinion.

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Socialistic and dirigist ideas have had the field almost to themselves for a generation; their assumptions have been deeply assimilated into national thoughtways in most institutions, not least in political life and administration. They shape the climate of opinion within which policies are shaped. We are confident that our case is strong enough if well prepared and presented, to transform the climate of opinion and with it the face of British society in the last quarter of the twentieth century.

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